

ORIGINAL

BEFORE THE ARIZONA CORPORATION C



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COMMISSIONERS**RECEIVED**

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MIKE GLEASON – Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

2007 DEC 13 P 4: 25
AZ CORP COMMISSION
DOCKET CONTROL

**IN THE MATTER OF THE APPLICATION
OF AERIE CONSERVANCY, AN ARIZONA
NONPROFIT CORPORATION, FOR
ADJUDICATION THAT IT IS NOT A PUBLIC
SERVICE CORPORATION**

DOCKET NO. W-04291A-04-0843**COMPLIANCE FILING**

In Decision 67881 (June 1, 2005), the Arizona Corporation Commission (“Commission”) ordered The Aerie Conservancy to file, within 24 months of the Decision date, documentation demonstrating its ownership of, and a copy of the Approval of Construction (“AOC”) for: (i) the well, the 120,000-gallon storage tank and the booster pump comprising the backbone infrastructure for The Aerie; and (ii) the distribution infrastructure for lots 1-41 of The Aerie. (Decision 67881 at 11-12.) Upon The Aerie Conservancy’s motion to extend this deadline, the Commission extended the deadline to December 31, 2007. (Procedural Order at 2, dated Aug. 6, 2007.)

To comply with this requirement, The Aerie Conservancy previously filed the following with Docket Control:

(1) a copy of the AOC for the well, storage tank, and booster pump (filed August 3, 2007);

(2) a copy of the AOC for the distribution infrastructure for lots 1-41 of The Aerie (filed December 5, 2007); and

Arizona Corporation Commission
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(3) a copy of a special warranty deed conveying all common area properties, which include the storage tank, well-site and booster pump properties, to The Aerie Conservancy (filed December 5, 2007).

To fully satisfy and complete the compliance requirement described above, The Aerie Conservancy files copies of a Bill of Sale and change of well ownership, attached as Exhibits A and B respectively, demonstrating that The Aerie Conservancy is the owner of the well, storage tank, booster pump, and distribution infrastructure for lots 1-41 of The Aerie.

DATED this 13th day of December, 2007.

SNELL & WILMER



Jeffrey W. Crockett
Marcie A. Shuman
One Arizona Center
400 East Van Buren
Phoenix, Arizona 85004-2202
Attorneys for The Aerie Conservancy

ORIGINAL and thirteen (13) copies filed with Docket Control this 13th day of December, 2007.

COPY of the foregoing hand-delivered this 13th day of December, 2007, to:

Brian Bozzo
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007



2083210.1

EXHIBIT A

BILL OF SALE

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, RED ROCK AERIE, LLC, an Arizona limited liability company, ("Seller"), hereby sells, transfers, conveys and absolutely sets over to THE AERIE CONSERVANCY, an Arizona non-profit corporation ("Buyer"), the domestic water system currently-existing at the Subdivision (defined below), including, without limitation (a) that well identified on Arizona Department of Water Resources records as Well Registration No. 55-600174 located on Tract "C" of the Subdivision, including all casing, booster pumps, pumps, motors, valves, pipes, meters, electrical facilities and connections, fencing and other parts, equipment, machinery and appurtenances currently used in the operation of the well; (b) the currently-existing potable water pipelines, valves, meters and other parts, equipment, and other connecting facilities, used for distributing potable water from the well to the lots at the Subdivision; and (c) the storage tank and the pump building within the Subdivision (together, the "Water Infrastructure"). The Water Infrastructure does not include any potable water service lines or other equipment that extend onto a lot of the Subdivision beyond the meter for the water service.

Upon Buyer's acceptance of this Bill of Sale, Buyer shall be deemed to have accepted the Water Infrastructure in "as is" and "as-constructed" condition. Seller makes no representation or warranty whatsoever to Buyer, including any representation or warranty as to title, or the condition of the Water Infrastructure, or its fitness for use, or as to the quantity or quality of water that may be produced from the well, either on the date hereof or in the future.

The "Subdivision" is that subdivision known as Aerie I located in Section 5, Township 17 North, Range 5 East, Gila and Salt River Base and Meridian, Yavapai County, Arizona, a plat for which was recorded on November 17, 2005 at Book No. 55, Page No. 34, records of Yavapai County, Arizona.

IN WITNESS WHEREOF, Seller and Buyer have duly executed this Bill of sale this 10th day of December, 2007.

SELLER:

RED ROCK AERIE, LLC, an Arizona limited liability company

By: COMMUNITIES SOUTHWEST MANAGEMENT, INC., an Arizona corporation

Its: Manager

By: 

Its: David J. Smith

By: 

Its: Dan Sullivan

BUYER:

THE AERIE CONSERVANCY, an Arizona non-profit
corporation

By:

John F. Serrano

Its:

Treasurer

2080818.1

EXHIBIT B



Arizona Department of Water Resources
Water Management Support Section
P.O. Box 33589 Phoenix, Arizona 85067-3589
(602) 771-8500 • (800) 352-8488
www.azwater.gov

PAID

Request to Change Well Information

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- ❖ Review instructions prior to completing form in black or blue ink.
 - ❖ You must include with your Notice:
 - > check or money order for any required fee(s)
 - ❖ Authority for fee: A.A.C. R12-15-151(B)(4)(a), A.R.S. § 45-113(B)
- ** PLEASE PRINT CLEARLY ****

FILE NUMBER

WELL REGISTRATION NUMBER

55 - 600174

SECTION 1. REGISTRY INFORMATION

Well Owner		Location of Well					
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL		WELL LOCATION ADDRESS (IF ANY)					
Red Rock Aerie, LLC		79 Altair Avenue, Sedona, AZ 86336					
MAILING ADDRESS		TOWNSHIP (NS)	RANGE (EW)	SECTION	160 ACRE	40 ACRE	10 ACRE
7001 N. Scottsdale Rd., #1015		17N	5E	5	NW ¼	NW ¼	SE ¼
CITY / STATE / ZIP CODE		LATITUDE		LONGITUDE			
Scottsdale, AZ 85253		34° 52' 58" N		111° 51' 30" W			
CONTACT PERSON NAME AND TITLE		METHOD OF LATITUDE/LONGITUDE (CHECK ONE) <input type="checkbox"/> *GPS: Hand-Held					
Jay Pennypacker, Vice President		<input type="checkbox"/> USGS Quad Map <input type="checkbox"/> Conventional Survey <input type="checkbox"/> *GPS: Survey-Grade					
TELEPHONE NUMBER		*IF GPS WAS USED, GEOGRAPHIC COORDINATE DATUM (CHECK ONE)					
480-315-2600		<input type="checkbox"/> NAD-83 <input type="checkbox"/> Other (please specify):					
FAX	COUNTY ASSESSOR'S PARCEL ID NUMBER		COUNTY WHERE WELL IS LOCATED				
480-315-2699	BOOK 408		MAP 23		PARCEL 059A		Yavapai

Type of Request (CHECK ONE)

- ☐ Change of Well Drilling Contractor (Fill out Section 2) ☒ Change of Well Ownership (Fill out Section 3) ☐ Change of Well Information (location, use, etc.) (Fill out Section 4)

SECTION 2. REQUEST TO CHANGE WELL DRILLING CONTRACTOR (\$10 Fee Required)

\$10 FEE

- ♦ If drilling or abandoning a well, the Department must receive this request and issue authorization to the new drilling firm prior to the commencement of well drilling or abandonment.

Current Well Drilling Contractor		New Well Drilling Contractor	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL	
DWR LICENSE NUMBER		DWR LICENSE NUMBER	ROC LICENSE CATEGORY
TELEPHONE NUMBER		TELEPHONE NUMBER	FAX
FAX			

SECTION 3. STATEMENT OF CHANGE OF WELL OWNERSHIP (\$10 Fee Required)

\$10 FEE

- ♦ If this change pertains to more than one well and the names are the same, only one \$10 fee is required.

Previous Well Owner		New Well Owner	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL	
Red Rock Aerie, LLC		The Aerie Conservancy	
MAILING ADDRESS		MAILING ADDRESS	
7001 N. Scottsdale Rd., #1015		7001 N. Scottsdale Rd., #1015	
CITY / STATE / ZIP CODE		CITY / STATE / ZIP CODE	
Scottsdale, AZ 85253		Scottsdale, AZ 85253	
CONTACT PERSON NAME AND TITLE		CONTACT PERSON NAME AND TITLE	
Jay Pennypacker, Vice President		Jami Schulman, President	
TELEPHONE NUMBER		TELEPHONE NUMBER	
480-315-2600		480-315-2600	
FAX		FAX	
480-315-2699		480-315-2699	

SECTION 4. CHANGE OF WELL INFORMATION (No Fee Required)

NO FEE

NOTE: Applies only to wells that have already been drilled. For proposed wells, an amended Notice of Intent to Drill a Well must be filed.

EXPLAIN

N/A

I HEREBY CERTIFY that the above statements are true to the best of my knowledge and belief.		DATE
TYPE OR PRINT NAME AND TITLE	SIGNATURE OF WELL OWNER	
Jay Pennypacker, Vice President	<i>Jay Pennypacker</i>	11/29/07